

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In Re U.S. Divisional Patent Application Of:
Kenneth Kiron and Kevin S. Bander

Application No. 09/140,868

Filed: August 27, 1998

For: Open End Mutual Fund Securitization Process

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) Group Art Unit: 2761
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) Examiner S. Tkacs
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Box Fee Amendment
Assistant Commissioner For Patents
Washington, D.C. 20231



RESPONSE

Dear Sir:

The following Amendments and Remarks are submitted in response to the Office Action dated March 2, 1999. Please amend the Application as follows:

In the Claims:

Please cancel Claims 1, 3-7 and 9-18.

Please amend Claim 8 as follows:

8. (Amended) An electronic data processing method for administering a financial product having a known number of shares over a predetermined period of time, which financial product is traded as a security the price of which is determined on the basis of information about one or more securities, comprising:

- a) directing a computer processor to select from said one or more securities a selected portfolio of securities based upon a predefined criteria [the risk/return performance of which over a predetermined period of time is superior to a predefined benchmark performance];
- b) receiving information on each of said one or more securities in the selected portfolio in an electronic data format;
- c) storing at least the received information on each security in the selected portfolio in a computer memory;

- d) electronically processing said stored information to determine in real time the price of the financial product on the basis of a user-defined method of weighting the selected portfolio of securities; and
- e) outputting an indication of the determined in real time price of the financial product in humanly readable format.

Please add Claims 19-51 as follows:

--19. A method comprising the steps of:

identifying a group of securities;

separating the group of securities into at least one subset of securities satisfying a predetermined criteria;

creating an open ended financial product having a fixed number of outstanding shares over a predetermined period of time and a portfolio comprising of securities within the subset of securities;

identifying from the group of securities a revised subset of securities satisfying the predetermined criteria;

changing the securities comprising the portfolio in response to the identifying of the revised subset of securities;

determining in real time the price of the financial product based on a user-defined method of weighting the securities comprising the portfolio; and

outputting an indication of the real time determined price of the financial product in a humanly readable format.

20. The method of claim 19 further comprising the step of trading the outstanding shares on an exchange.

21. The method of claim 19 further comprising the step of listing the outstanding shares on an exchange.

22. The method of claim 19 further comprising the step of correlating the price of the outstanding shares to the price of the portfolio.

23. The method of claim 19 further comprising the step of calculating overall positions of shareholders of the outstanding shares.
24. The method of claim 19 further comprising the step of calculating a net asset value of the financial product.
25. The method of claim 19 further comprising the steps of buying and selling the outstanding shares of financial product at a mutually agreed upon price.
26. The method of claim 19 further comprising the steps of trading the outstanding shares of the financial product on an exchange and tracking the trades on the exchange.
27. The method of claim 19 further comprising the step of electronically trading the outstanding shares of the financial product.
28. The method of claim 19 further comprising the step of creating a derivative product related to the open ended financial product.
29. The method of claim 19 further comprising the step of clearing trades of the open ended financial product.
30. A method comprising the steps of:
 - identifying a group of securities;
 - separating the group of securities into a sector comprising a subset of the group of securities and satisfying a specific criteria;
 - creating an open ended financial product having a fixed number of outstanding shares over a predetermined period of time and comprising of the securities within the sector;
 - changing the securities comprising the sector;
 - changing the securities comprising the financial product in response to the changing of the securities comprising the sector;
 - determining in real time the price of the financial product on the basis of a user-defined method of weighting the securities comprising the sector; and,
 - outputting an indication of the real time determined price of the financial product in a humanly readable format.

31. The method of claim 30 further comprising the step of trading outstanding shares on an exchange.
32. The method of claim 30 further comprising the step of listing the outstanding shares on an exchange.
33. The method of claim 30 further comprising the step of correlating the price of the outstanding shares to the price of the securities comprising the sector.
34. The method of claim 30 further comprising the step of calculating overall positions of shareholders of the outstanding shares.
35. The method of claim 30 further comprising the step of calculating a net asset value of the financial product.
36. The method of claim 30 further comprising the steps of buying and selling the outstanding shares of the financial product at a mutually agreed upon price.
37. The method of claim 30 further comprising the steps of trading the outstanding shares of the financial product on an exchange and tracking the trades on the exchange.
38. The method of claim 30 further comprising the step of electronically trading the outstanding shares of the financial product.
39. The method of claim 30 further comprising the step of creating a derivative product related to the open ended financial product.
40. The method of claim 30 further comprising the step of clearing trades of the open ended financial product.
41. A method comprising the steps of:
 - designating from a plurality of securities a selected portfolio of securities;
 - creating an open ended financial product having a fixed number of shares over a predetermined period of time and comprising of the securities within the selected portfolio of securities;
 - trading the shares on a securities exchange;
 - determining a price of the financial product in real time based on information about the portfolio and a user-defined method of weighting;

providing an indication of the in real time determined price of the financial product;
designating a revised portfolio of securities; and,
changing the securities comprising the financial product in response to designating a revised portfolio of securities.

42. The method of claim 41 further comprising the steps of listing the shares on an exchange and trading the shares on the exchange.

43. The method of claim 41 further comprising the step of correlating the price of the shares to the price of the portfolio.

44. The method of claim 41 further comprising the step of calculating overall positions of shareholders of the shares.

45. The method of claim 41 further comprising the step of calculating a net asset value of the financial product.

46. The method of claim 41 further comprising the steps of buying and selling the shares of financial product at a mutually agreed upon price.

47. The method of claim 41 further comprising the steps of trading the outstanding shares of the financial product on an exchange and tracking the trades on the exchange.

48. The method of claim 41 further comprising the step of electronically trading the outstanding shares of the financial product.

49. The method of claim 41 further comprising the step of creating a derivative product related to the open ended financial product.

50. The method of claim 41 further comprising the step of clearing trades of the open ended financial product.

51. An electronic data processing method for executing the purchase or sale of a real time open end financial product, comprising the steps of:

- a) receiving data in an electronic format representative of particular characteristics of a plurality of target financial products and the current estimated price of each target product;
- b) storing the data received in a computer memory;